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ELIAS C. ALVORD (1942)  
ELLSWORTH C. ALVORD (1964)

OF COUNSEL  
URBAN A. LESTER

SURFACE TRANSPORTATION BOARD

July 13, 2006

Mr. Vernon A. Williams  
Secretary  
Surface Transportation Board  
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Net Railcar Lease, dated as of February 27, 2006, a primary document as defined in the Board's Rules for the Recordation of Documents.

The names and addresses of the parties to the enclosed document are:

Lessor: Babcock & Brown Rail Funding LLC  
885 Second Avenue, 49th Floor  
New York, NY 10017

Lessee: Orlando Utilities Commission  
500 S. Orange Avenue  
Orlando, FL 32801

Mr. Vernon A. Williams  
July 13, 2006  
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A description of the railroad equipment covered by the enclosed document is:

125 autoflood hopper cars: OUCX 26001 – OUCX 26125.

A short summary of the document to appear in the index is:

Memorandum of Net Railcar Lease.

Also enclosed is a check in the amount of \$34.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read 'R. Alvord', with a long horizontal flourish extending to the right.

Robert W. Alvord

RWA/sem  
Enclosures

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## MEMORANDUM OF NET RAILCAR LEASE

## SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF NET RAILCAR LEASE dated as of this 27<sup>th</sup> day of February, 2006, is to that certain Master Net Railcar Lease effective as of February 27, 2006, and Schedule No. 01 thereto effective as of the same date, between BABCOCK & BROWN RAIL FUNDING LLC, a Delaware limited liability company (the "Lessor") and ORLANDO UTILITIES COMMISSION a statutory commission created under the laws of the State of Florida (the "Lessee") and together with the Lessor, the "Parties").

## KNOW ALL PERSONS BY THESE PRESENTS THAT:

WHEREAS, the Lessor and Lessee have entered into that certain Master Net Railcar Lease effective as of February 27, 2006 and Schedule No. 01 thereto effective as of the same date (hereinafter as the same may from time to time be amended, modified or supplemented, the "Agreement"), covering the equipment listed on Exhibit A hereto (the "Cars");

WHEREAS, the Parties wish to show for the public record the existence of the aforesaid Agreement, and the respective interests therein of the Parties and accordingly the Parties have caused this memorandum to be executed by their respective duly authorized officers, as of the date first above written.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the Parties hereto, by this instrument the Lessor hereby leases and confirms the lease of the Cars to the Lessee in accordance with the terms and conditions of the Agreement, and the Lessee confirms and accepts such terms and conditions, which are incorporated by reference as if fully set forth herein.

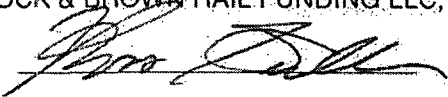
This Memorandum of Net Railcar Lease may be executed by the Parties in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the undersigned has caused this Memorandum of Net Railcar Lease to be executed by a duly authorized officer as of the day and year indicated below.

BABCOCK & BROWN RAIL FUNDING LLC, as Lessor

By:



Name: Ross Sullivan

Title: Vice President

Date: July 7, 2006

ORLANDO UTILITIES COMMISSION, as Lessee

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

STATE OF CALIFORNIA )

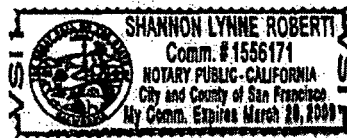
) SS:

COUNTY OF SAN FRANCISCO )

On July 7, 2006, before me, Shannon Lynne Roberti, Notary Public, personally appeared Ross Sullivan, personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Shannon Lynne Roberti



STATE OF \_\_\_\_\_ )

) SS:

COUNTY OF \_\_\_\_\_ )

On July \_\_\_\_\_, 2006, before me, \_\_\_\_\_, Notary Public, personally appeared \_\_\_\_\_, personally known to me to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

\_\_\_\_\_

IN WITNESS WHEREOF, the undersigned has caused this Memorandum of Net Railcar Lease to be executed by a duly authorized officer as of the day and year indicated below.

BABCOCK & BROWN RAIL FUNDING LLC, as Lessor

By: \_\_\_\_\_

Name: Ross Sullivan

Title: Vice President

Date: July 7, 2006

ORLANDO UTILITIES COMMISSION, as Lessee

By:  \_\_\_\_\_

Name: Kenneth P. Ksionek

Title: General Manager and CEO

Date: 7/10/06

Approved as to form and legality

JC Legal Department

DATE: 7-10-06 BY: W.M.

STATE OF CALIFORNIA )

) SS:

COUNTY OF SAN FRANCISCO )

On July 7, 2006, before me, \_\_\_\_\_, Notary Public, personally appeared Ross Sullivan, personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

STATE OF Florida )

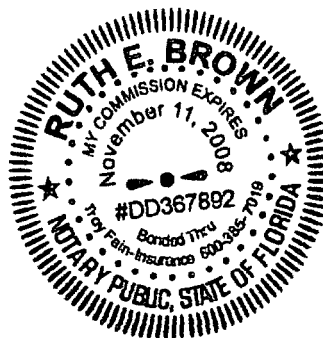
) SS:

COUNTY OF Orange )

On July 10, 2006, before me, Ruth E. Brown, Notary Public, personally appeared ~~Kenneth P. Ksiadek~~ personally known to me to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(ies), and that by his/~~her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Ruth E. Brown



**EXHIBIT A TO MEMORANDUM OF NET RAILCAR LEASE**

<u>Quantity</u>	<u>Car Description</u>	<u>Reporting Marks and Numbers</u>
One Hundred Twenty-Five (125)	4200 CF Aluminum body AutoFlood III Open Top Hoppers, 286,000 lbs. GRL; AAR Car Type Code K341; built in 2006 by FreightCar America, Inc.	OUCX 26001-26125, inclusive.



**CERTIFICATION**

I, Robert W. Alvord, attorney licensed to practice in the State of New York and the District of Columbia, do hereby certify under penalty of perjury that I have compared the attached copy with the original thereof and have found the copy to be complete and identical in all respects to the original document.

Dated: 7/12/06



\_\_\_\_\_  
Robert W. Alvord